



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: **HB 1087** HLS 14RS 1978

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 29, 2014	10:06 AM	Author: MILLER
Dept./Agy.: Louisiana Department of Revenue		
Subject: Electronic Tax Filing		Analyst: Anne Burns

TAX/LOCALRE SEE FISC NOTE GF EX See NotePage 1 of 1

Authorizes the collector of certain taxing authorities to require the electronic filing and remittance of local sales and use taxes

Purpose of Bill: Authorizes, beginning January 1, 2015, the collector for each taxing authority to require the electronic filing and remittance of local sales and use tax by any taxpayer required to electronically file and remit state sales and use tax returns. Failure of a taxpayer to comply with the electronic filing requirements shall result in the collector for the taxing authority to assess a penalty.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION
There may be an increase in state general fund expenditures. However, those costs will be absorbed by the existing budget allocation.

An official with the **Louisiana Department of Revenue (Department)** stated that per R.S. 47:337.23(F)(I) the Department operates a local electronic filing system, commonly called "parish e-file." This measure may cause an increase in usage of the parish e-file system. Because the parish e-file system is already in place and is capable of handling much more volume, this bill is not expected to have any effect on system costs.

However, it is estimated that three additional staff with a total annual cost of approximately \$150,000 may be needed to handle the potential increased volume of phone calls with questions on how to use the parish e-file system. Any expenditures necessary to implement this measure will be absorbed by the Department's existing budget allocation.

REVENUE EXPLANATION
There may be an indeterminate effect on government revenues as a result of this measure.

An official with the **Louisiana Department of Revenue** stated that since this bill does not affect the amount of tax, only the means of filing tax, it is not expected to affect state revenue.

An official with the **Louisiana Association of Tax Administrators** stated that there may be an indeterminable amount of local revenue increases, considering electronic remittances would decrease processing time and result in increased interest earned on deposited funds. In addition, there may also be an increase in revenues from penalties charged for noncompliance.